

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE)	
EXTENDED AREA SERVICE AVAILABLE)	
TO SUBSCRIBERS OF SOUTH CENTRAL)	CASE NO. 8658
RURAL TELEPHONE COOPERATIVE)	
CORPORATION, INC.)	

O R D E R

In Case No. 8620, a request for authorization to borrow funds and upgrade facilities, the Commission determined that a substantial portion of the revenue requirements of South Central Rural Telephone Cooperative Corporation, Inc., ("South Central") has been necessitated by unusually large extended area service ("EAS") complexes within its service area.

On its own motion, the Commission established this proceeding to investigate the feasibility of adjustments in the calling scope of South Central's EAS complexes as a means of reducing the revenue requirements which must otherwise be paid by basic service subscribers.

A conference was held on October 25, 1982, to discuss the procedures which would have to be undertaken to accomplish the above purposes. Representatives of South Central, the Division of Consumer Protection of the Attorney General's Office, and Commission staff were present. In the meeting,

South Central revealed that it does not have the necessary equipment to measure its EAS traffic in order to reach objective decisions concerning community-of-interest and call-volume factors. It developed at the conference that to add the necessary measuring equipment to the electronic exchanges would cost at least \$50,000, with additional expenditures necessary for the exchanges not equipped with electronic switching. This would be in addition to the costs associated with pursuing this investigation.

FINDINGS AND ORDER

The Commission, after considering this matter and being advised, is of the opinion and finds that:

1. South Central does not at the present time have measuring equipment necessary to make objective decisions concerning the cost effectiveness of elimination of any of its existing EAS routes;

2. At this time, there is no basis on which to estimate that additional expenditures of time and money in this matter would produce cost savings or other beneficial results to South Central's subscribers; and

3. This proceeding should be dismissed.

IT IS THEREFORE ORDERED that the Commission's investigation into this matter be and it hereby is dismissed.

Done at Frankfort, Kentucky, this 2nd day of December,
1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary